

---

## **USDA/Food Distribution Project No. 5**

---

### **Project No. 5: Commodity Cheese On-line**

**State Partner: Illinois and Florida**

**Industry Partner: Land O' Lakes (LOL)**

**Scope:** This project includes processed cheese products for the entire state of Illinois and two school districts in the state of Florida.

**Concept Tested:** Internet Based ordering system

**Project Description:** The State provides LOL with their school districts' cheese allocation (in pounds) for the school year. States submit cheese delivery orders to USDA for the whole school year. Schools order processed cheese products from LOL to the district's distributor, district warehouse or State warehouse using an Internet system to track orders and the balance of pounds allocated. LOL has a 30-day lead-time for ordering and delivering product.

**Status/Next Step:** To be announced.

**Findings Thus Far:** The districts have reported positive results. The Internet system has improved the accountability and traceability of cheese products at all times in the Federal, State and local systems. The school districts like to order for the whole year, to receive confirmations of orders and to monitor their account balance. They especially like receiving the quantity needed when they need it.

The districts in Florida like having product delivered directly to their designated facility and being able to adjust orders within 30 days of delivery. They commented that this pilot enables better utilization and saves on storage costs. In Florida the participating districts are receiving cheese directly from Land O' Lakes through their distributor.

In Illinois, districts are ordering through the state-contracted warehouse. Going through its State warehouse requires a lengthy lead-time, from 60-90 days, for ordering end products. Initially there was some confusion over the definition of delivery date. Once LOL, the schools and the state agreed on the definition of delivery month, there have been very few problems. LOL was operating under the assumption that delivery month meant delivery to the state warehouse. The schools and state believed delivery month was the actual month of delivery to the school. Now all partners agree that the delivery month is the month the school actually receives the end products. LOL knows they must deliver to the state warehouse by the 5<sup>th</sup> of each month for delivery to the schools in the following month. This problem highlights the need for good communication and training when beginning any new system or process.

**Contact parties for further information:**

**State Distributing Agencies:**

Gloria Van Treese or Cathy Quick  
Florida Department of Agriculture and Consumer Services  
Bureau of Food Distribution  
[quickc@doacs.state.fl.us](mailto:quickc@doacs.state.fl.us)

Katherine Keylor  
Division of Fiscal Services  
Illinois State Board of Education  
[KKEYLOR@isbe.net](mailto:KKEYLOR@isbe.net)

**Industry Partner:**

Robert Brose'  
Land O' Lakes  
[bbros@landolakes.com](mailto:bbros@landolakes.com)

**FSA Contact:**

Bill March, Chief  
Dairy and Domestic Programs Branch  
Farm Services Agency  
[William\\_March@wdc.fsa.usda.gov](mailto:William_March@wdc.fsa.usda.gov)

Last Updated: 04/10/01